

2003 DRAFTING REQUEST**Bill**Received: **02/12/2003**Received By: **pgrant**Wanted: **As time permits**

Identical to LRB:

For: **Alberta Darling (608) 266-5830**By/Representing: **Tom**This file may be shown to any legislator: **NO**Drafter: **pgrant**

May Contact:

Addl. Drafters:

Subject: **Education - MPS**
Munis - 1st class cities only
Bonding - municipal

Extra Copies: **MJL**Submit via email: **YES**Requester's email: **Sen.Darling@legis.state.wi.us**

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

MPS unfunded pension liability refinancing

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	pgrant 02/14/2003	kfollett 02/28/2003 kfollett 02/28/2003					S&L
/1			chaskett		lemery	lemery	

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
			03/03/2003	_____	03/03/2003	03/10/2003	

FE Sent For: At intro.

<END>

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03/03/2003 _____

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/?	pgrant	11 gf 2/28	1 cph 2/28	CPH/RS 2/28 3/3			

FE Sent For:

<END>

OFFICE MEMO AD-2

To	Date	Time
From	<input type="checkbox"/> Please Call <input type="checkbox"/> Returning Call <input type="checkbox"/> Will Call	
Phone	Taken By	
<input type="checkbox"/> Comment <input type="checkbox"/> Route	<input type="checkbox"/> For Your Inf. <input type="checkbox"/> Approve/Sign	<input type="checkbox"/> Prepare Reply <input type="checkbox"/> Take Action <input type="checkbox"/> Return <input type="checkbox"/> File

Peter.

Thanks. call w/
questions of me on the
MPS Lady who wants
this change.

Tom
6-5830

No. of Copies:	<input type="checkbox"/> Typing <input type="checkbox"/> Photocopy <input type="checkbox"/> Copy Center <input type="checkbox"/> Copy from Microfilm				
Date Need	<table border="1"> <tr> <td>Time Need</td> <td> <input type="checkbox"/> Rough <input type="checkbox"/> Final </td> <td> <input type="checkbox"/> Double <input type="checkbox"/> Single </td> <td> <input type="checkbox"/> Original Document <input type="checkbox"/> Revised Document </td> </tr> </table>	Time Need	<input type="checkbox"/> Rough <input type="checkbox"/> Final	<input type="checkbox"/> Double <input type="checkbox"/> Single	<input type="checkbox"/> Original Document <input type="checkbox"/> Revised Document
Time Need	<input type="checkbox"/> Rough <input type="checkbox"/> Final	<input type="checkbox"/> Double <input type="checkbox"/> Single	<input type="checkbox"/> Original Document <input type="checkbox"/> Revised Document		



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Milwaukee Public Schools/City of Milwaukee
Unfunded Pension Liability Legislation
-Synopsis-

- ✓ MPS has a current unfunded prior service liability contribution under the Wisconsin Retirement System of approximately \$167 million

⑥ Under the current repayment plan, MPS is effectively incurring an interest rate on this liability of 8% per annum. Under the current repayment plan, one estimate shows MPS's liability continuing to grow until the year 2021, when the obligation would total over \$237 million, before declining gradually each year. By 2030, the obligation would still total about \$178 million - larger than it is today.

MPS would save \$60-90 mil until 2030

- Based on estimates from one financial advisor, MPS could potentially save up to \$3 million a year by lowering its interest repayment in this way.
- To take advantage of the currently low interest rates, MPS would like the City of Milwaukee to borrow an amount sufficient to pay off the remaining liability, thereafter paying the City for its annual debt service cost of this debt. (By law, MPS cannot independently issue debt, but the City of Milwaukee can issue debt for MPS for school purposes.)
- The City of Milwaukee is constitutionally limited to a total outstanding debt of 5% of the total property value of the city. Currently the City has school purpose debt of \$95 million toward this limit. Including this school debt the City has used about two-thirds of this debt capacity.
- If the City were to borrow an additional \$160 million under the 5% limit, it will reach approximately 82% of its total allowable debt under this limit. This would leave the City with insufficient capacity to address future borrowing needs including a reasonable margin of safety. This would likely result in a downgrading of the City's current high investment grade bond rating, increasing the cost of any future debt incurred for the City or School District.

⑦ Under current law, the City can issue additional debt ~~up~~ for specific school purposes, subject to a 2% limit of the total value of taxable property. However, the current provision requires a citywide referendum, only authorizes ten-year notes and does not specify that pension liability repayments as an allowable purpose for issuing such debt.

3 values total

- Also under current law, there is a provision that allows the School District to mandate that the City issue debt specifically for the purpose of pension liability contributions. Such debt would be subject to the 5% limit and does not include any requirement on the part of the School District to include in its budget funds sufficient to cover the resulting debt service costs to the City.
- In order to achieve the refunding and redirect significant dollars to the teachers and classrooms in MPS, the City and MPS have agreed that the following legislative changes should occur:

Legislative (statutory) Changes

- 1) Make 119.498 enabling or permissive on the part of the City, not mandated.
 - 2) Make the refunding of the MPS unfunded pension liability subject to the 2% limit for a maximum of 20 years instead of 10 yrs, to avoid the need for another financing to extend beyond 10 years.
 - 3) Eliminate the need for referendum to issue such debt.
 - 4) Provide a requirement that school boards include in their budgets for transfer to the City an amount sufficient to meet annual debt service on the bonds so issued.
- The attached is the specific proposed statutory changes as requested by MPS and the City of Milwaukee. These changes were prepared by the City's co-bond counsels at the request of the City and MPS.

Contacts:

MPS-_____ Danielle Clermont 414-475-8250

City-_____ Audra Millen 414-286-5593

leg. policy specialist
integrated relation

s. 119.498 (1) WISCONSIN STATUTES TO BE AMENDED AS FOLLOWS:

“(1) The board may adopt a resolution requesting the common council of the city to authorize the issuance of promissory notes under s. 67.12(12) for school purposes consisting of paying unfunded prior service liability contributions under the Wisconsin retirement system, the amount of such promissory notes outstanding at any time, plus the amount of any school bonds outstanding at any time under s. 119.49, shall not be greater than 2% of the total value of all taxable property in the city as certified under s. 121.06(2). The amount of such promissory notes outstanding at any time shall be excluded as indebtedness in the calculation of indebtedness subject to the limit of 5% of the value of the taxable property within the meaning of s. 67.03(1)(a).] If the board adopts such resolution and the city issues such promissory notes, the board shall include in its budget for each year, so long as any such promissory notes are outstanding, amounts sufficient to pay the principal of, and interest and redemption premium, if any, on such promissory notes in such year.”

“(2) The city may issue the promissory notes at public or private sale.”

20 year instead of 10
s. 67.12(12)(a) WISCONSIN STATUTES TO BE AMENDED by adding language in the second sentence after “sewerage district” and before “, shall be repaid” as follows: “or to pay unfunded prior service liability contributions under the Wisconsin retirement system”

s. 119.49(5) WISCONSIN STATUTES TO BE AMENDED by adding language in the first sentence after “outstanding at any time” and before “shall not” as follows: “plus the amount of any promissory notes outstanding at any time under s. 119.498,”

*drafted by
city attorney*

UNOFFICIAL TEXT

Chapter 119

119.498



119.498

**119.498 Promissory notes; unfunded prior service liability contributions.**

119.498(1)



(1) The board may adopt a resolution directing the common council to issue promissory notes under s. 67.12 (12) for the purpose of paying unfunded prior service liability contributions under the Wisconsin retirement system.

119.498(2)



(2) If the board adopts a resolution under sub. (1), the board shall include in its budget transmitted to the common council under s. 119.16 (8) (b) a written notice specifying the amount of borrowing to be authorized in the budget for the ensuing year. The common council shall issue the notes and levy a direct annual irrepealable tax sufficient to pay the principal and interest on the notes as they become due. The common council may issue the notes by private sale.

119.498 - ANNOT.



History: 1995 a. 358.

119.50

**119.50 Disbursement of moneys.**

119.50(1)



(1) All moneys received by or raised in the city for school district purposes shall be paid over to the city treasurer. Such moneys shall be disbursed by the city treasurer on the written order of the superintendent of schools, countersigned by the auditing officer of the city.

119.50(2)



(2) The board shall provide by resolution for the manner in which the payroll shall be certified, audited, approved and paid.

119.50(3)



(3) The superintendent of schools shall keep separate accounts of all money raised and apportioned for 1st class city school district purposes. The money shall be disbursed in accordance with this section and s. 66.0607 (5) and shall be paid from the proper funds.

119.50 - ANNOT.



History: 1971 c. 291; 1985 a. 225 s. 72; 1991 a. 39; 1993 a. 59; 1999 a. 150 s. 672.

119.55

**119.55 Youth service centers, truancy abatement and burglary suppression.**

119.55(1)



(1)

119.55(1)(a)



(a) The board shall establish one or more youth service centers for the counseling of children who are taken into custody under s. 938.19 (1) (d) 10. for being absent from school without an acceptable excuse under s. 118.15. The board shall contract with the boys and girls clubs of Greater Milwaukee for the operation of the centers.

119.55(1)(b)




(b) The board shall establish 2 youth service centers under par. (a).


119.55(2)




(2) The board shall pay the city a sum sufficient to pay the costs of salaries and fringe benefits of 4 law enforcement officers to work on truancy abatement and burglary suppression on a full-time basis.

67.12(8)(b)2. 


2. To evidence a loan under par. (a), the school board shall deliver to the lender its tax and revenue anticipation promissory note or notes or its school order. Each note and each order shall be executed as provided in s. 67.08 (1) and may be registered under s. 67.09. Each note or order, when paid, shall be receipted and returned to the school district treasurer.

67.12(8a) 


(8a) Temporary school district loan against revenues; regarded as paid debt. Whenever a school district shall have become entitled to state aids, tuition revenues, or taxes levied, the district may pledge or assign all or portions of these revenues due but not yet paid as security for the repayment of loans required for operating purposes. Short term indebtedness secured by such assignment shall be construed as a paid or satisfied debt in reporting or computing the outstanding debt of the school district.

67.12(8m) 


(8m) Temporary borrowing by technical college district. The technical college district board may borrow money as needed to meet the immediate expenses of operating and maintaining the schools of the district during the current fiscal year. No such loan may extend beyond November 1 of the following fiscal year. The total amount borrowed may not exceed one-half the estimated receipts for the operation and maintenance of the schools for the current fiscal year in which the borrowing occurs, as certified by the district treasurer. All such loans shall be evidenced by promissory notes which shall be executed provided in s. 67.08 (1) and may be registered under s. 67.09. Whenever a technical college district becomes entitled to state aids, tuition revenues or taxes levied, the district may pledge or assign all or portions of these revenues due but not yet paid security for the repayment of promissory notes issued under this subsection. Any indebtedness secured by such assignment shall be construed as a paid or satisfied debt in reporting or computing the outstanding debt of the district.

67.12(12) 


(12) Borrowing on promissory notes.

67.12(12)(a) 


(a) Any municipality may issue promissory notes as evidence of indebtedness for any public purpose, as defined in s. 67.04 (1) (b), including but not limited to paying any general and current municipal expense, and refunding any municipal obligations, including interest on them. Each note, plus interest if any, shall be repaid within 10 years after the original date of the note, except that notes issued under this section for purposes of ss. 145.245 (12m), 281.58, 281.59, 281.60 and 281.61, or to raise funds to pay a portion of the capital costs of a metropolitan sewerage district shall be repaid within 20 years after the original date of the note.

67.12(12)(b) 


(b) A school board of any newly created school district or a technical college district board may, pursuant to this section, issue promissory notes to refund any indebtedness assumed by the district upon its creation.

67.12(12)(c) 


(c) At any time during the term of any promissory note, or thereafter, if the municipality has not paid the full amount due on a note:

67.12(12)(c)1. 


1. The lender may grant an extension of time; or

67.12(12)(c)2. 

2. The municipality may issue a promissory note to refund a promissory note or any part thereof or to refund a refunding promissory note. Any refunding note issued under this subdivision shall be paid within 10 years after the original date of the refunding note and within 20 years after the date of the original promissory note.

67.12(12)(cc) 

(cc) Any such note or notes may provide for prepayment on the terms and conditions prescribed therein.

67.12(12)(d) 

(d) Such notes shall be executed as provided in s. 67.08 (1), may be registered under s. 67.09 and shall include a statement specifying the provisions of the resolution authorizing the issuance or a reference to the resolution so that it can be readily

UNOFFICIAL TEXT

Chapter 119

119.49



119.49

**119.49 Bond issues.**

119.49(1)



(1)

119.49(1)(a)



(a) If the board deems it necessary to construct buildings or additions to buildings, to remodel buildings or to purchase school sites or to provide funds for any such purpose as a participant in a contract under s. 120.25, it may by a two-thirds vote of the members-elect send a communication to the common council of the city.

119.49(1)(b)



(b) The communication shall state the amount of funds needed under par. (a) and the purposes for which the funds will be used and shall request the common council to submit to the voters of the city at the next election held in the city the question of issuing school bonds in the amount and for the purposes stated in the communication.

119.49(2)



(2) Upon receipt of the communication, the common council shall file the communication as provided in s. 8.37 and shall cause the question of issuing such school bonds in the stated amount and for the stated school purposes to be submitted to the voters of the city at the next election held in the city. The question of issuing such school bonds shall be submitted so that the vote upon issuing such school bonds is taken separately from any other question submitted to the voters. If a majority of the electors voting on the school bond question favors issuing such school bonds, the common council shall cause the school bonds to be issued immediately or within the period permitted by law, in the amount requested by the board and in the manner other bonds are issued.

119.49(3)



(3) The proper city officials shall sell or dispose of the bonds in the same manner as other bonds are disposed of. The entire proceeds of the sale of the bonds shall be placed in the city treasury, subject to the order of the board for the purposes named in the communication under sub. (1). Such school bonds shall be payable within 20 years from the date of their issue.

119.49(4)



(4) The common council shall levy and collect a tax upon all taxable property in the city, in the same manner and at the same time as other taxes are levied and collected, which shall be sufficient to pay the interest on all school bonds issued under this chapter which are outstanding and to pay such part of the principal of such school bonds as becomes due during the ensuing school year.

119.49(5)



(5) The amount of such school bonds outstanding at any time shall not be greater than 2% of the total value of all taxable property in the city as certified under s. 121.06 (2). The tax levied to pay the interest and principal on such school bonds shall be in addition to the tax levied for general purposes upon all the taxable property of the city.

119.49 - ANNOT.



History: 1973 c. 92, 172; 1975 c. 353; 1977 c. 418; 1989 a. 290; 1999 a. 150 s. 672; 1999 a. 182.

119.495

**119.495 Borrowing on promissory notes; 1989 to 1993.**

119.495(1)



(1) Between July 1, 1989, and the first Monday in August, 1993, upon adopting a resolution by a two-thirds vote of the members elect, the board may direct the common council to issue promissory notes under s. 67.12 (12) for the purpose of providing additional classroom space to accommodate anticipated school enrollments.

119.495(2)



(2) The board shall include in its budget transmitted to the common council under s. 119.16 (8) (b) a written notice specifying

s. 119.498 (1) WISCONSIN STATUTES TO BE AMENDED AS FOLLOWS:

“(1) The board may adopt a resolution requesting the common council of the city to authorize the issuance of promissory notes under s. 67.12(12) for school purposes consisting of paying unfunded prior service liability contributions under the Wisconsin retirement system, the amount of such promissory notes outstanding at any time, plus the amount of any school bonds outstanding at any time under s. 119.49, shall not be greater than 2% of the total value of all taxable property in the city as certified under s. 121.06(2). The amount of such promissory notes outstanding at any time shall be excluded as indebtedness in the calculation of indebtedness subject to the limit of 5% of the value of the taxable property within the meaning of s. 67.03(1)(a). If the board adopts such resolution and the city issues such promissory notes, the board shall include in its budget for each year, so long as any such promissory notes are outstanding, amounts sufficient to pay the principal of, and interest and redemption premium, if any, on such promissory notes in such year.

“(2) The city may issue the promissory notes at public or private sale.”

s. 67.12(12)(a) WISCONSIN STATUTES TO BE AMENDED by adding language in the second sentence after “sewerage district” and before “, shall be repaid” as follows: “or to pay unfunded prior service liability contributions under the Wisconsin retirement system”

s. 119.49(5) WISCONSIN STATUTES TO BE AMENDED by adding language in the first sentence after “outstanding at any time” and before “shall not” as follows: “plus the amount of any promissory notes outstanding at any time under s. 119.498,”

Description of proposed statutory changes

119.498 The proposed changes allow for borrowing for the purpose of the pension liability only, without the need for referendum, and subject to a 2% limit (including any outstanding debt under 119.49). It does not open up any new borrowing without referendum.

67.12(12)(a) Authorized under municipal statutes, borrowing currently allows 10 year notes only, except for certain purposes for which 20 year notes are allowed. The proposed change would add “pension liability” to the list of purposes for which 20-year notes can be issued.

119.49(5) The proposed change to is simply to avoid creating 2 separate 2% limits by making the 2% include any borrowing for pension purposes (under 119.498) as well. This section remains otherwise unchanged and MPS would still have to go to referendum to borrow for school construction purposes.

67.03(1)(a)

(a) Except as provided in s. 67.01 (9), municipalities may borrow money and issue municipal obligations therefor only for the purposes and by the procedure specified in this chapter. The aggregate amount of indebtedness, including existing indebtedness, of any municipality shall not exceed 5% of the value of the taxable property located in the municipality as equalized for state purposes except that the aggregate amount of indebtedness of any school district that offers no less than grades 1 to 12 and that at the time of incurring the debt is eligible to receive state aid under s. 121.08 shall not exceed 10% of the equalized value of the taxable property located in the school district.

Article XI, §3 ¶(2)

(2) No county, city, town, village, school district, sewerage district or other municipal corporation may become indebted in an amount that exceeds an allowable percentage of the taxable property located therein equalized for state purposes as provided by the legislature. In all cases the allowable percentage shall be 5 percent except as specified in pars. (a) and (b):

Article XI, §3 ¶(2) (a)

(a) For any city authorized to issue bonds for school purposes, an additional 10 percent shall be permitted for school purposes only, and in such cases the territory attached to the city for school purposes shall be included in the total taxable property supporting the bonds issued for school purposes.

Article XI, §3 ¶(2) (b)

(b) For any school district which offers no less than grades one to 12 and which at the time of incurring such debt is eligible for the highest level of school aids, 10 percent shall be permitted.

2003

Date (time)
neededWed
3/5

LRB - 2040, 11

PG : kjf:

BILL

Use the appropriate components and routines developed for bills.

Gen

AN ACT ... [generate catalog] *to repeal ... ; to renumber ... ; to consolidate and renumber ... ; to renumber and amend ... ; to consolidate, renumber and amend ... ; to amend ... ; to repeal and recreate ... ; and to create ...* of the statutes; relating to: *promissory notes issued by the city of Milwaukee to pay for unfunded prior service liability contributions of the Milwaukee Public Schools under the Wisconsin retirement system.*

[NOTE: See section 4.02 (2) (br), Drafting Manual, for specific order of standard phrases.]

Analysis by the Legislative Reference Bureau

If titles are needed in the analysis, in the component bar:

For the main heading, execute: create → anal: → title: → head

For the subheading, execute: create → anal: → title: → sub

For the sub-subheading, execute: create → anal: → title: → sub-sub

For the analysis text, in the component bar:

For the text paragraph, execute: create → anal: → text

(attached)

This is a preliminary draft. An analysis will be provided of a later version.

[Signature]

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION #.

✓
Section #. 67.12 (12) (a) of the statutes is amended to read:

67.12 (12) (a) Any municipality may issue promissory notes as evidence of indebtedness for any public purpose, as defined in s. 67.04 (1) (b), including but not limited to paying any general and current municipal expense, and refunding any municipal obligations, including interest on them. Each note, plus interest if any, shall be repaid within 10 years after the original date of the note, except that notes issued under this section for purposes of ss. ^{119.448, ✓}145.245 (12m), 281.58, 281.59, 281.60 and 281.61, or to raise funds to pay a portion of the capital costs of a metropolitan sewerage district, shall be repaid within 20 years after the original date of the note.

History: 1971 c. 49, 144; 1971 c. 152 s. 38; 1971 c. 164, 215; 1973 c. 172, 250; 1975 c. 311; 1977 c. 29; 1977 c. 272 s. 98; 1977 c. 418; 1979 c. 34; 1979 c. 110 s. 60 (13); 1979 c. 221, 297; 1981 c. 20, 254; 1981 c. 282 ss. 29, 45; 1981 c. 314; 1983 a. 24, 27, 192, 207, 368, 538; 1985 a. 101, 225; 1987 a. 197, 391, 399, 403; 1989 a. 31, 56, 192, 336, 366; 1991 a. 32, 49; 1993 a. 399; 1995 a. 27, 227, 232, 358; 1997 a. 35, 286; 1999 a. 9; 1999 a. 150 s. 672; 1999 a. 182; 2001 a. 16.

Section #. 119.49 (5) of the statutes is amended to read:

119.49 (5) The sum of the amount of such school bonds outstanding and the amount of notes under s. 119.498 ~~are~~ outstanding at any time shall not be greater than 2% of the total value of all taxable property in the city as certified under s. 121.06 (2). The tax levied to pay the interest and principal on such school bonds shall be in addition to the tax levied for general purposes upon all the taxable property of the city.

History: 1973 c. 92, 172; 1975 c. 353; 1977 c. 418; 1989 a. 290; 1999 a. 150 s. 672; 1999 a. 182.

The limit under s. 67.03 (1) (a) does not apply to bonds under this section.

Section #. 119.498 of the statutes is amended to read:

school purposes consisting

119.498 Promissory notes; unfunded prior service liability contributions. (1) The board may adopt a resolution ^{requesting} ~~directing~~ the common council ^{of the city} ~~to~~ issue promissory notes under s. 67.12 (12) for ~~the purpose of~~ paying unfunded prior service liability contributions under the Wisconsin ~~retirement~~ Retirement System ~~system~~.

(2) If the board adopts a resolution under sub. (1), the board shall include in its budget transmitted ^{and the common council issues} ~~to the common council under s. 119.16 (8) (b) a written notice specifying the amount of borrowing~~ ^{the notes} ~~to be authorized in the budget for the ensuing year. The common council shall issue the notes and~~ ^{annually} ~~levy a direct annual irrevocable tax sufficient~~ ^{necessary} ~~to pay the principal~~ ^{of} ~~and interest on the notes as they~~ become due. The common council may issue the notes ^{at public or} ~~by private sale.~~ ^{and redemption premium}

History: 1995 a. 358

✓
SEC. CR. 119.498(3)

⑤ sum of the
119.498(3) The amount of notes under this section
that are outstanding and the amount of bonds under s. 119.49
~~under this section~~ outstanding at any that are

time may not exceed 2% of the total

value of all taxable property in the

city as certified under s. 121.06(2). The

limit under s. 67.03(1)(a) does not apply to

notes under this section.

(End)

analysis

Current law ^{allows} ~~authorizes~~ the board of the Milwaukee Public Schools to direct the Milwaukee ~~for~~ common council to issue promissory notes for the purpose of paying unfunded prior service liability contributions under the Wisconsin Retirement system. The notes must be repaid within 10 years.

Under this bill, ^{the Milwaukee common council is} ~~MPS may request the~~ ^{not required} ~~Milwaukee common council~~ to issue the notes. If the common council does so, the notes must be repaid within 20 years. The bill also provides that the sum of the amount ^{that are} of the notes outstanding and the amount of bonds issued by the common

council to construct school buildings ^{or} ~~or~~
~~additions to buildings~~ or to purchase
that are outstanding at any time
school sites $\frac{1}{2}$ may not exceed $2\frac{1}{2}\%$ of
the total value of all taxable property
in the city of Milwaukee. Under
current law, the latter amount ^{alone} is ~~not~~
subject to the $2\frac{1}{2}\%$ limit.

FE-8L

Mentkowski, Annie

From: Petri, Tom
Sent: Monday, March 10, 2003 9:37 AM
To: LRB.Legal
Subject: Draft review: LRB 03-2040/1 Topic: MPS unfunded pension liability refinancing

It has been requested by <Petri, Tom> that the following draft be jacketed for the ASSEMBLY:

Draft review: LRB 03-2040/1 Topic: MPS unfunded pension liability refinancing